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BILL ANALYSIS

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House Bill 4803 (as passed by the Senate)  
Sponsor: Representative Edward Gaffney, Jr.  
House Committee: Natural Resources, Great Lakes, Land Use, and Environment  
Senate Committee: Economic Development, Small Business and Regulatory Reform

Date Completed: 9-20-05

### **RATIONALE**

Tourism is Michigan's second largest industry, with revenue of about \$16 billion per year. The peak of the summer tourism season occurs in July and August, but reportedly there is a sharp drop-off in travel and tourism during the last two weeks of August. Supporters of the tourism industry believe that the trend toward earlier start dates for schools is responsible for this decline, and that requiring all schools to begin after Labor Day would lengthen the tourist season and increase revenue for tourism-related industries. Currently, each local school district determines its own calendar, and over half of Michigan's public school districts begin the school year before Labor Day.

### **CONTENT**

**The bill would amend the Revised School Code to prohibit school districts, public school academies, and intermediate school districts from beginning the school year before Labor Day, subject to exceptions for year-round schools and programs.**

The Code currently prohibits school districts, public school academies (PSAs), and intermediate school districts (ISDs) from being in session on the Friday before Labor Day. This bill would require the board of a school district or ISD or the board of directors of a PSA to ensure that pupils were not required to begin a school year before Labor Day, which would mean the first Monday in September.

If, on the bill's effective date, the school district, ISD, or public school academy were

under a collective bargaining agreement that conflicted with this requirement, then it would not apply to that school district or academy until the agreement expired.

If a school district, ISD, or PSA were operating a year-round school or program on the bill's effective date, the bill's requirement would not apply to that school or program. If a school district, ISD, or PSA began operating a year-round school or program after the bill's effective date, the district or academy could apply to the Superintendent of Public Instruction for a waiver from the requirement. If the Superintendent determined that a school or program was a bona fide year-round school or program established for educational reasons, he or she would have to grant the waiver. The Superintendent would be required to establish standards for determining a bona fide year-round school or program for these purposes.

MCL 380.1284b

### **BACKGROUND**

Currently, at least two states have laws requiring the school year to begin after Labor Day, according to the National Conference of State Legislatures. Minnesota passed its statute earlier in 2005, and no conclusive data on the economic or educational effects of the law are available. In Virginia, school districts may be exempted from the requirement under certain circumstances, such as if a district frequently misses more than eight school days due to severe weather. In Wisconsin, public schools generally may not begin

before September. Several states, including Pennsylvania, South Carolina, and Texas, are currently considering similar legislation to begin the school year after Labor Day. Kentucky and Tennessee are both considering bills that would establish task forces to examine the economic effects of the school calendar on industries such as tourism.

In Michigan, this issue has come up repeatedly since 1997. Public Act 141 of 1999 amended the Revised School Code to require the board of a school district, public school academy, or ISD, for the 2000-2001, 2001-2002, and 2002-2003 school years, to ensure that the district's or academy's schools were not in session on the Friday before Labor Day. Public Act 167 of 2001 amended the Code to extend this requirement indefinitely.

## **ARGUMENTS**

*(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)*

### **Supporting Argument**

This bill would increase tourism in the last part of August. Tourism reportedly drops off by 35% or more after the second week of August, effectively shortening the summer tourist season to approximately six weeks. Delaying the start of school until after Labor Day would allow families to take one last vacation before school starts. According to a statewide survey conducted by EPIC-MRA in August 2005, 63% of the respondents support a requirement that all school districts in Michigan begin school after Labor Day. In addition, increased tourism generated by the bill would help stimulate the State economy and would generate additional tax revenue. That increased revenue could go in part toward improving schools.

**Response:** Most people have a limited amount of vacation time available, so while postponing the start of school might allow some families to take a vacation later in the fall, they would probably just shift their travel plans, not take more vacations. Also, according to testimony before the Senate Committee on Economic Development, Small Business and Regulatory Reform, the current law has not had a significant effect on tourism in the upper part of the State.

### **Supporting Argument**

The bill would enable high school students to compete for tourism-related summer jobs, since a later school year would allow them to work for the entire tourist season.

**Response:** Most employees in tourism related businesses are not high school students, but college students, who would not be affected by this bill.

### **Opposing Argument**

The bill would take away local control from the school districts, imposing a uniform start date that may or may not be in the best interest of every district. Local school boards should be allowed to set their own calendar based on the needs of their community. Furthermore, the school calendar must be negotiated with the teachers' unions, and is subject to other constraining factors. Mandates from the State would only complicate this already complex and difficult process.

**Response:** School districts would have flexibility in how they met the requirements of the bill. Some have proposed that school districts could increase the length of each school day to allow the school to start after Labor Day, giving the children the required number of hours of instruction while finishing the school year before Memorial Day.

### **Opposing Argument**

Starting schools after Labor Day might not give school students enough time to prepare for the MEAP (Michigan Educational Assessment Program) tests, which are given in the fall.

**Response:** Many schools, such as Traverse City public schools, have never started the school year before Labor Day yet perform well on the MEAP tests.

### **Opposing Argument**

Starting school later in the fall could mean extending the school year into late June. This would make it difficult in some cases for teachers to enroll in continuing education classes, which typically begin in June.

Legislative Analyst: Curtis Walker

## **FISCAL IMPACT**

While requiring schools to start their school year after Labor Day would probably have a positive impact on tourism-related activity, it probably would have only a very small

positive impact, if any, on overall economic activity. This conclusion is based on two major points:

1) Starting the school year before Labor Day does have a negative impact on the tourism industry, but by no means is all of the travel that otherwise would occur over Labor Day completely lost to the Michigan economy. The constraint that the current early school start places on Labor Day travel does not necessarily reduce overall travel during a given year, but simply causes many families to rearrange their vacation plans. Instead of traveling over the Labor Day weekend, some families may now instead take a trip earlier in August, or wait to take a vacation during a school break (e.g., winter or spring). Therefore, some of the reduction in Labor Day weekend travel is simply shifted to another time.

2) While the travel that is being completely lost due to the earlier school start date has a negative impact on the tourism industry, it does not necessarily have a negative impact on the overall economy. Consumers face many demands on their fixed budgets and when they reduce spending in one area, such as travel over the Labor Day weekend, there are many other budget areas ready to compete for the funds in question. In other words, when travel is reduced for any reason, the funds that would have been used to finance that travel do not disappear, but are most likely spent in other consumer areas.

The bill would have no fiscal impact on local government.

Fiscal Analyst: Kathryn Summers-Coty  
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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.